

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11  
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VERTIS HOLDINGS, INC., *et al.*, : Case No. 10-16170 (ALG)  
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Debtors. : (Jointly Administered)  
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**ORDER PURSUANT TO 11 U.S.C. § 363(b)**  
**(I) APPROVING (A) AN EQUITY COMMITMENT AGREEMENT AND (B) A**  
**BACKSTOP COMMITMENT AGREEMENT, (II) AUTHORIZING PAYMENT OF**  
**CERTAIN RELATED FEES AND EXPENSES THEREUNDER, (III) FURNISHING**  
**CERTAIN INDEMNITIES THEREUNDER AND**  
**(IV) GRANTING CERTAIN RELATED RELIEF**

Upon the motion (the "Motion")<sup>1</sup> of the Debtors for entry of an order (the "Order") pursuant to sections 105(a) and 363(b) of title 11 of the United States Code (the "Bankruptcy Code") (i) approving (a) an Equity Commitment Agreement and (b) a Backstop Commitment Agreement, (ii) authorizing payment of certain related fees and expenses thereunder, (iii) furnishing certain indemnities thereunder and (iv) granting certain related relief; and upon the First-Day Declaration; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and after due deliberation thereon and sufficient cause appearing therefor, it is hereby

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<sup>1</sup> Capitalized terms used but not defined herein shall have the same meaning ascribed to them in the Motion. The Debtors in these cases, along with the last four (4) digits of each Debtor's federal tax identification number, are Vertis Holdings, Inc. (1556); Vertis, Inc. (8322); ACG Holdings, Inc. (5968); Webcraft, LLC (6725); American Color Graphics, Inc. (3976); and Webcraft Chemicals, LLC (6726).

**ORDERED, ADJUDGED AND DECREED THAT:**

1. The Motion is GRANTED as set forth in this Order.
2. All objections to the Motion or the relief requested therein, if any, that have not been withdrawn, waived or settled, and all reservations of rights included therein, are overruled with prejudice.
3. The Equity Commitment Agreement attached to the Motion as Exhibit B and (a) the payment of the fees contemplated thereby, (b) the payment of the expenses of the Backstop Investors, and (c) the indemnification provisions set forth therein are approved.
4. The Backstop Commitment Agreement attached to the Motion as Exhibit C and (a) the payment of the expenses of Avenue, and (b) the indemnification provisions set forth therein are approved.
5. The Debtors are authorized to perform their obligations under the Equity Commitment Agreement and the Backstop Commitment Agreement.
6. The fees and expenses contemplated in the Equity Commitment Agreement and the Backstop Commitment Agreement are hereby approved as reasonable and accorded the status of administrative expense claims pursuant to section 503(b)(1) of the Bankruptcy Code.
7. The indemnification provisions set forth in the Equity Commitment Agreement and the Backstop Commitment Agreement shall constitute legal, valid, and binding obligations of the Debtors and all such obligations are enforceable against the Debtors in accordance with their respective terms, without notice, hearing or further order of the Court.
8. The Debtors are hereby authorized to pay the Backstop Investors the Equity Fee in accordance with, and when earned pursuant to, the Equity Commitment

Agreement. In the event that any Backstop Investor terminates the Equity Commitment Agreement pursuant to its terms, then in lieu of the Equity Fee the Debtors are authorized to pay the Cash Fee to the Backstop Investors in accordance with, and when earned pursuant to, the Equity Commitment Agreement.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

10. The Backstop Investors are hereby granted all rights and remedies provided to them under the Equity Commitment Agreement and the Backstop Commitment Agreement.

11. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: New York, New York  
December 1, 2010

/s/ Allan L. Gropper  
UNITED STATES BANKRUPTCY JUDGE